Office of the Commissioner of Lobbying of Canada

2009-2010

Departmental Performance Report

The Honourable Stockwell Day, PC, MP
President of the Treasury Board

Table of Contents

MESSAGE FROM THE COMMISSIONER OF LOBBYING 1

SECTION 1: DEPARTMENTAL OVERVIEW 3
- Raison d'être 4
- Responsibilities 4
- Strategic Outcome 5
- Program Activity Architecture 5
- Performance Summary 6
- Contribution of Priorities to Program Activities 7
- Risk Analysis 10
- Expenditure Profile 11
- Voted and Statutory Items 11

SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME 13
- 2.1 Registration of Lobbyists 14
  - Performance Analysis 14
  - Lessons Learned 15
  - Benefits for Canadians 15
- 2.2 Education and Research 16
  - Performance Analysis 17
  - Lessons learned 17
  - Benefits for Canadians 18
- 2.3 Reviews and Investigations 19
  - Performance Analysis 19
  - Lessons Learned 20
  - Benefits for Canadians 21
- 2.4 Internal Services 22
  - Performance Analysis 22
  - Lessons Learned 22

SECTION III: SUPPLEMENTARY INFORMATION 23
- Financial Highlights 24
- Supplementary Information Tables 25

Message from the Commissioner of Lobbying

I am pleased to present the Departmental Performance Report for the Office of the Commissioner of Lobbying for the fiscal year ending on March 31, 2010.

My activities focus on the administration of the *Lobbying Act*, which is intended to ensure that lobbying activities are transparent and contribute to increasing Canadians' confidence in the integrity of government decision-making. My Office maintains a publicly accessible registry of lobbyists, promotes compliance through an education and outreach program, and monitors and enforces compliance with the legislation and the *Lobbyists' Code of Conduct*.

Our Web-based registration system is a model for lobbyists' registries. This year, further improvements have been made to make it simpler for lobbyists to use, and easier for Canadians to access and search for information. More specifically, a number of new features have been added to the Lobbyists Registration System to facilitate the registration process. The quality of client services has also benefited from the implementation of a new system to manage telephone enquiries.

In my experience, greater awareness of the *Lobbying Act*'s requirements leads to greater compliance. Therefore, I am increasingly investing time and targeting my efforts to inform and educate lobbyists, public office holders, parliamentarians and the Canadian public about the *Lobbying Act* and the *Lobbyists' Code of Conduct*. This past year, in addition to increasing my outreach activities towards lobbyists, I reached out to designated public office holders in the 20 most-lobbied federal government institutions, with excellent results in raising awareness.

In 2009-10, my Office continued to monitor lobbying activities and conduct Administrative Reviews and Investigations. Efforts to streamline our approach to compliance continued in order for the Office to keep pace with the growing volume of compliance activities. New processes have been implemented to help improve the accuracy of the information contained in the Registry. Examples include mass communications (primarily via e-mail) to inform registrants of common reporting errors, and targeted sampling to verify monthly communication returns. These new methods have led to significant improvements in accuracy, at a relatively low cost to the organization.

In 2010, the *Lobbying Act* is eligible for legislative review. I hope to work with parliamentarians, when called upon, to provide insights into my experience in administrating the legislation and into amendments that may be considered by Parliament. My goal remains to ensure that the *Lobbying Act* is administered in a way that supports greater transparency and higher ethical standards in lobbying activities.

Karen E. Shepherd
Commissioner of Lobbying

SECTION 1: DEPARTMENTAL OVERVIEW

Raison d'être

The mandate of the Office of the Commissioner of Lobbying is derived from the *Lobbying Act* (the Act). Its purpose is to ensure transparency and accountability in the lobbying of public office holders in order to contribute to confidence in the integrity of government decision-making. The Office of the Commissioner of Lobbying supports the Commissioner in fulfilling her mandate.

Responsibilities

The Commissioner of Lobbying is responsible for the implementation of the Act. The authority of the Commissioner, who is an independent Officer of Parliament, derives from the Act.

The Office of the Commissioner of Lobbying administers the Act, which provides for the establishment of a Registry of Lobbyists that seeks to improve transparency and accountability regarding communications by lobbyists with public office holders. This contributes to increasing public confidence in the integrity of government decision-making.

The primary activities to support the mandate of the Office of the Commissioner of Lobbying are threefold. They are: to establish and maintain the Registry of Lobbyists, which contains, and makes available to the public, the registration information disclosed by lobbyists as well as their monthly returns regarding communications with designated public office holders; to develop and implement research and educational programs to foster awareness of the requirements of the Act; and to monitor and ensure compliance with the Act and the *Lobbyists' Code of Conduct* (the Code).

The Commissioner of Lobbying has the authority under the Act to grant exemptions to former designated public office holders subject to a five-year prohibition on lobbying activities.

The Commissioner reports annually to Parliament on the administration of the Act and the Code and is required to table reports on any completed investigations.

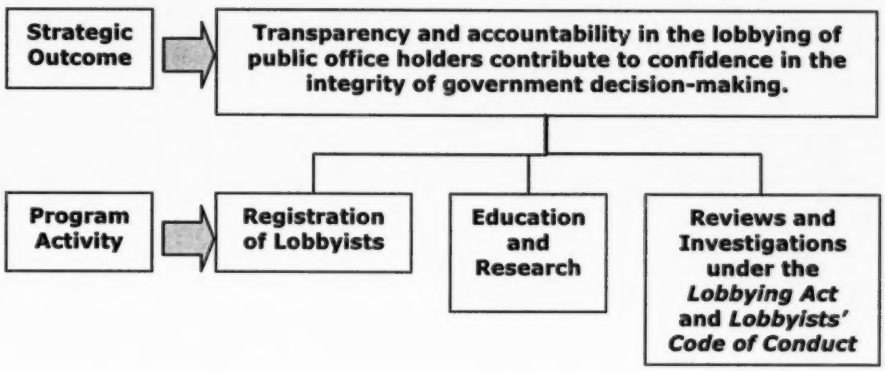
Strategic Outcome

In order to effectively pursue its mandate, the Office of the Commissioner of Lobbying (OCL) aims to achieve the following strategic outcome:

Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making.

Program Activity Architecture

The Program Activity Architecture (PAA) for the OCL is its basis for reporting to Parliament. The PAA describes the relationship between the activities of the OCL and the strategic outcome it is working to achieve, in order to produce results for Canadians. In addition, the PAA also provides the framework that links expected results and performance measures to individual program activities, clarifying why the OCL does what it does and how it will measure expected results. Finally, the PAA serves as a framework to link financial resources to each program activity, indicating how the OCL manages the resources under its control to achieve its intended outcomes.


Strategic Outcome
Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making.
Program Activity
Registration of Lobbyists
Education and Research
Reviews and Investigations under the *Lobbying Act* and *Lobbyists' Code of Conduct*

Performance Summary

2009-10 Financial Resources ($ thousands)

Planned spending	Total Authorities	Actual spending
4,574	4,827	4,179

2009-10 Human Resources (FTEs)

Planned	Actual	Difference
28	25	(3)

Strategic Outcome: Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making.		
Performance Indicator The level of compliance with the *Lobbying Act* and the *Lobbyists' Code of Conduct.*	**Target** 100%	**2009-10 Performance** The Office of the Commissioner of Lobbying contributed to the transparency and accountability of lobbying activities by effectively implementing the registration and compliance requirements of the *Lobbying Act* and the *Lobbyists' Code of Conduct* and by undertaking an education and research program.

($ thousands)

Program Activity	2008-09 Actual Spending	2009-10				Alignment to Government of Canada Outcomes
		Main Estimates	Planned Spending	Total Authorities	Actual Spending	
Registration of Lobbyists	2,064	1,541	1,552	1,357	1,256	An accountable, transparent, and responsive government.
Education and Research	1,126	1,084	1,097	1,103	943	
Reviews and Investigations under the *Lobbying Act* and the *Lobbyists' Code of Conduct*	1,276	1,023	1,041	1,033	886	
Internal Services[1]	—	880	884	1,334	1,094	
Total	4,466	4,528	4,574	4,827	4,179	

[1] Commencing in the 2009-10 Estimates cycle, the resources for the Internal Services program activity are displayed separately from other program activities; they are no longer distributed among the remaining program activities, as was the case in previous Main Estimates. This has affected the comparability of spending and FTE information by program activity between fiscal years.

Contribution of Priorities to Program Activities

Operational Priorities	Type	Status	Linkages to Program Activities
Continuation of implementation and maintenance of the Lobbyists Registration System	Ongoing	Met all. The OCL has implemented an annual maintenance program for the Lobbyists Registration System. The program included a series of adaptive and corrective functionalities aimed at improving the registration process and facilitating compliance with the *Lobbying Act*.	The Lobbyists Registration System (LRS) is the cornerstone of the registration process. A more efficient and effective LRS accelerates the publication of information in the Registry, and improves the overall quality of disclosures. The LRS has built-in information, guidance material and features that help registrants understand and comply with the *Lobbying Act*'s disclosure requirements. Improvement: The maintenance program will be enhanced to incorporate improved functionalities to further simplify and facilitate the registration process. It will also increasingly focus on adding statistical capacity to monitor more accurately the performance of the LRS and facilitate its day-to-day management.

Operational Priorities	Type	Status	Linkages to Program Activities
Promote awareness of the Act and the Code requirements	Ongoing	Mostly met. The OCL focused its outreach efforts on four main groups: lobbyists; public office holders; parliamentarians; and the public.	Enhanced awareness leads to greater compliance with the requirements of the Act and the Code. Improvement: Refine and target our approach to outreach activities to ensure that key groups are reached and that resources are used for maximum impact.
Pursue enforcement of the Act and the Code and communicate the results	Ongoing	Met all. The OCL initiated Administrative Reviews or Investigations of allegations of non-compliance that were brought to its attention. The results were communicated in its Annual Report.	Enforcement measures taken by the OCL and communication of results contribute to compliance with the requirements of the Act and the Code. This contributes to improved compliance with the lobbyists' registration regime. Improvement: Public confidence can be further enhanced through additional communication of results and greater understanding of the consequences of non-compliance with the Act and the Code.

Management Priorities	Type	Status	Linkages to Strategic Outcome
Improve internal management of the organization	New	Met all. The OCL consolidated all corporate functions under a newly created Deputy Commissioner position. This new organizational structure helped demonstrate the importance of internal management functions and clarified the roles and responsibilities of all executives. The Departmental Audit Committee was active in performing an oversight function and in providing expert advice to the Commissioner and the management team on potential improvement measures.	The consolidation of the corporate functions contributed to streamlined and better integrated planning, oversight and reporting functions, fostering the organization's effectiveness in delivering its mandate.
Human Resources Renewal	New	Met all. Specific measures have been initiated to improve the integration of business and human resource planning (e.g., priority-setting discussions and consolidation of corporate functions under a single executive). This has helped focus organizational efforts on key people management priorities, including staffing, development and employment equity. The OCL remains committed to building a diverse workforce as it strives to meet Employment Equity (EE) objectives in all of its staffing actions.	The development of an integrated business and human resources planning process raised the awareness of human resource implications of the OCL's activities, thereby fostering increased effectiveness in delivering its mandate.

Risk Analysis

The Office of the Commissioner of Lobbying (OCL) faces many risks and challenges in administering the *Lobbying Act*. As a small organization, it has limited personnel and financial resources and must establish clear priorities to mitigate those risks and address those challenges.

The Lobbyists Registration System (LRS) was complex to establish, and issues such as accuracy of information and timeliness of disclosure remain at the forefront of the OCL's priorities. The LRS is the primary tool that allows lobbyists to disclose and make transparent their lobbying activities. As such, the LRS must be available at all times for registration and for consultation by the public. To prevent system interruptions, a number of built-in failsafe mechanisms have been put in place in order to limit the amount of downtime and ensure continuous operation.

The *Lobbying Act* requires monthly reporting of certain communications with designated public office holders. This reporting is done online by lobbyists without prior OCL vetting. As such, it carries with it the possibility of input errors which may go undetected. The OCL has implemented a statistical sampling approach to verify the accuracy of monthly communication reports and identify errors. The OCL also continually educates lobbyists and public office holders on how to reduce errors, including over-reporting. New functionalities have been put in place in the LRS to allow lobbyists to amend and correct monthly communication reports without OCL involvement, thus freeing up resources for other priority work.

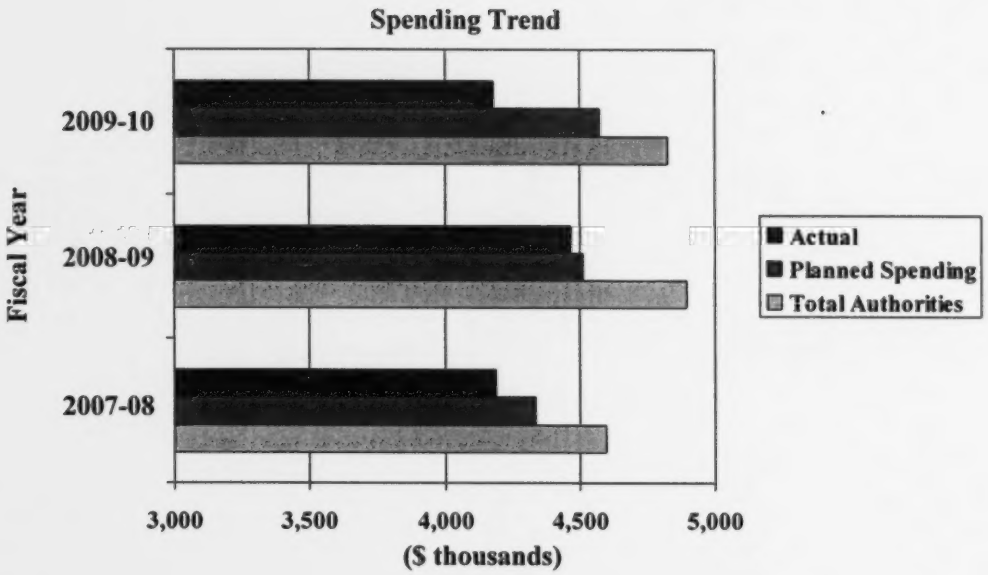
Another area of risk relates to the possibility that the Commissioner's decisions with respect to Administrative Reviews, Investigations and decisions on applications for exemption to the five-year prohibition on lobbying, may be subject to judicial review in Federal Court. In order to mitigate this risk, the OCL conducts reviews and investigations that are fair, thorough and well-documented, and that will stand review by a Court, if required.

In 2009-10, the OCL completed a restructuring of the organization to consolidate all corporate functions under a new position, that of Deputy Commissioner. The roles and responsibilities of the other OCL executive positions were reviewed and adjusted accordingly.

In the event that Parliament launches a review of the *Lobbying Act* in 2010, the Commissioner will likely be asked to share her views on the Office's experience with the administration of various provisions of the legislation over the last few years. In preparation, the OCL is undertaking research and analysis to help prepare the Commissioner to play an active role in the debate.

The OCL is a small organization that is dependent on other federal departments for the provision of key corporate services, such as information technology, human resources and financial services. Agreements for these shared services were monitored by the OCL to ensure that all practices and services are consistent with OCL requirements and standards and those of the Government of Canada.

Expenditure Profile



In 2008-09, the OCL spent a considerable amount of resources to implement the new Lobbyists Registration System (LRS) in order to incorporate the new requirements of the *Lobbying Act*, which came into force in July 2008. The variance in actual spending between 2008-09 and 2009-10 is mainly due to the fact that the funding related to the development of the LRS was reduced in 2009-10, as the OCL focussed primarily on system maintenance.

In 2009-10, the variance between planned spending and total authorities resulted mainly from funding received from central votes for reimbursement of eligible paylist expenditures (parental leave) and operating carryforward.

In 2009-10, the variance between planned and actual spending is mainly due to vacant positions being staffed late in the year, and funding received from central votes to cover parental leave expenses.

Voted and Statutory Items

($ thousands)

Vote # or Statutory Item (S)	Truncated Vote or Statutory Wording	2007-08 Actual Spending	2008-09 Actual Spending	2009-10 Main Estimates	2009-10 Actual Spending
45	Program Expenditures	3,886	4,098	4,120	3,810
(S)	Contributions to employee benefit plans	301	368	408	369
	TOTAL	4,187	4,466	4,528	4,179

SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

Strategic Outcome
Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making.

2.1 Registration of Lobbyists

2009-10 Financial Resources ($ thousands)			2009-10 Human Resources (FTEs)		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
1,552	1,357	1,256	10	8	(2)

Expected Result	Performance Indicator	Target	Performance Status	Performance Summary
All lobbying activities are carried out by individuals, organizations and corporations that are properly registered in the Lobbyists Registration System.	Number of active registrations processed in the Lobbyists Registration System.	Increase the number of active registrations processed from 7,500 to 7,875 (5%) by March 2010.	Exceeded by 62%.	A total of 12,513 active registrations were processed, which represents a 67% increase over the 7,500 base level. This was largely due to high activity levels resulting from the Act's increased disclosure requirements.

Performance Analysis

The OCL took several steps to improve its client services and meet the demands on the registration front. It implemented a new software-based system to manage telephone enquiries more effectively, and redesigned its online multimedia tutorial series.

The OCL continued to advance its commitment to implementing a series of adaptive and corrective functionalities within the Lobbyists Registration System (LRS), aimed at simplifying and facilitating the registration process as well as fostering overall compliance with the Act. To this end, the OCL implemented an annual maintenance program for the LRS in 2009-10. This program included the initiation of a redesigned

LRS interface known as the Registrant's Dashboard, which registrants use to manage their registrations. Efforts were also invested to simplify business processes within the LRS for tasks such as a change to the Responsible Officer for corporations and non-profit organizations.

Lessons Learned

The Lobbyists Registration System and its public interface, the Registry of Lobbyists, must continually be improved to meet the increasing expectations of users, whether to register or to search information. In addition, increasingly sophisticated analytical and reporting tools must be developed to support the complex registration requirements of the Act. The OCL will continue to invest significant resources into adaptive maintenance to improve the compliance-related functionalities of the system.

Benefits for Canadians

The registration of lobbyists made information on lobbyists and their activities available to the public. As such, the Registry contributed to greater transparency of lobbying activities which helped bolster the confidence of Canadians in the decisions made by the federal government.

Strategic Outcome
Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making.

2.2 Education and Research

2009-10 Financial Resources ($ thousands)			2009-10 Human Resources (FTEs)		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
1,097	1,103	943	5	5	—

Expected Result	Performance Indicators	Targets	Performance Status	Performance Summary
Lobbyists, their clients, public office holders and the public are aware of the scope and requirements of the *Lobbying Act*.	Number of outreach activities conducted by the OCL.	Increase the number of outreach activities from 33 to 50 by March 2010.	Exceeded.	The OCL conducted 58 outreach activities, which included: speaking at conferences; presentations to professional lobbying groups; delivering information sessions to public officer holders; and delivering workshops to various audiences. It also included meetings with international and provincial counterparts.
	Survey conducted in the third quarter of every year.	80% of respondents say their awareness has increased.	Not met.	No survey was conducted this year due to changing priorities. However, the vast majority of participants at outreach meetings and presentations indicated a high level of awareness and understanding of the Act. The demand and interest in outreach meetings and presentations has increased. As a result, in-depth presentations are being requested, and the questions being asked indicate a greater awareness and understanding of the Act.

Performance Analysis

The Office of the Commissioner of Lobbying (OCL) refined its approach toward outreach and education by focusing its efforts on four main groups through:

- exchanging information with lobbyists and ensuring they understand the legislative requirements of the *Lobbying Act* (the Act);
- developing presentation material to provide an overview of the rationale and requirements of the Act to public office holders, including designated public office holders;
- connecting and sharing experiences with international and provincial counterparts through bilateral meetings and the annual Lobbying Commissioners' and Registrars' Conference; and
- giving presentations to interested groups to raise awareness among Canadians about the Act.

Activities conducted by the OCL to deliver on the above included: direct communication with lobbyists, media, public office holders and the public; advisory letters to corporations and organizations who may have conducted lobbying activities requiring registration; information sessions with lobbyists, public office holders and other interested groups; presentations at conferences; and use of the OCL's website to disseminate new educational and advisory materials. In addition, the OCL's website continues to be a powerful and affordable tool for disseminating information to lobbyists, public office holders and the general public. Direct communication with registrants through e-mail and telephone allowed for guidance, technical assistance and a variety of information to be shared effectively and at a low cost.

Lessons learned

The OCL refined its approach to education and outreach by attempting to meet the specific needs of stakeholders. A series of meetings between the Commissioner and designated public office holders within the 20 most-lobbied government institutions highlighted areas where outreach materials might be beneficial. In the coming year, the OCL will work towards developing key documents, for example, a brochure entitled "10 Things You Should Know About Lobbying" to help parliamentarians understand the *Lobbying Act*, and a document that will provide an overview of the *Lobbying Act* to be used in orientation binders for employees of the federal government. The OCL will also continue to refine its existing materials.

A meeting with the Chairs of the Federal Regional Councils highlighted a need for more outreach in the regions. Therefore, the OCL will increase its efforts to reach a wider segment of regional stakeholders. It will continue to deliver information sessions to groups of public office holders, as requested.

The OCL did not undertake a survey this year to measure public awareness of the Act. Information was gathered through other methods such as examining the types of

presentations being requested and the types of questions being asked at meetings with stakeholders. A survey will be conducted in 2010-11 to collect better data and measure more accurately the public's understanding of the Act.

Interested parties wishing to obtain additional information can access multimedia tutorials, PowerPoint presentations, guidance documents, and various other documents on the OCL's website.

Benefits for Canadians

The education and research program activity included a broad range of outreach activities, the goal of which was to increase awareness of the *Lobbying Act* and of the *Lobbyists' Code of Conduct*. Increased awareness translated into enhanced accountability and transparency in the lobbying of public office holders and, subsequently, improved the confidence of Canadians in the decisions made by the federal government.

Strategic Outcome

Transparency and accountability in the lobbying of public office holders contribute to confidence in the integrity of government decision-making.

2.3 Reviews and Investigations

2009-10 Financial Resources ($ thousands)			2009-10 Human Resources (FTEs)		
Planned Spending	**Total Authorities**	**Actual Spending**	**Planned**	**Actual**	**Difference**
1,041	1,033	886	8	7	(1)

Expected Result	Performance Indicator	Target	Performance Status	Performance Summary
Alleged breaches of the *Lobbying Act* and the *Lobbyists' Code of Conduct* are determined to be either unfounded or true so that they may be subject to the appropriate sanctions.	Number of alleged breaches of the *Lobbying Act* and the *Lobbyists' Code of Conduct* which result in decisions.	Increase the percentage of enforcement actions on alleged breaches from 80% to 90% by March 2010.	Exceeded	The OCL initiated monitoring activities, Administrative Reviews or Investigations of 100% of alleged breaches that were brought to its attention. The OCL must continue to streamline its administrative review and investigation processes to keep pace with the growing number of new files initiated.

Performance Analysis

The OCL undertook various administrative and enforcement measures to foster compliance with the Act. At the beginning of the fiscal year, the OCL carried a caseload of 51 files, which included 41 administrative reviews, six investigations and four exemption reviews. Over the course of 2009-10, the OCL initiated 16 new administrative reviews and three new investigations. Additionally, four new applications for exemption for the five-year prohibition on lobbying were received.

In 2009-10, ten Administrative Review files were completed, and four of them referred to the RCMP for investigation. No Investigations Reports were tabled. At the close of the fiscal year, the caseload had grown to 57 files.

As part of its monitoring efforts, the OCL continued to verify the registration status of corporations and organizations that were linked to lobbying activities in media reports. Ninety percent of those verified had filed returns in the Registry of Lobbyists. Where appropriate, the OCL sent advisory letters to educate potential registrants about the requirements of the Act.

The OCL took steps to confirm the accuracy and completeness of a sample of monthly reports filed by registrants in respect of communication with designated public office holders. Eighty-six percent of the communication reports sampled were found to be accurate. Approximately 25 percent of errors found involved over-reporting of communications with individuals who were not designated public office holders. While Members of Parliament and Senators (who are not Ministers or Ministers of State) are public office holders, they are not "designated" public office holders under the *Lobbying Act*. Therefore, reports of communications between lobbyists and these individuals are not required. To improve the accuracy of monthly communication reports filed, an analysis of those communication entries filed was conducted. The OCL contacted registrants to either clarify or correct errors which were brought to its attention.

The OCL also reviewed requests for exemption from the five-year prohibition on lobbying set out in the Act. This past year, we refined our processes in order to be more efficient and to ensure that thorough reports are presented to the Commissioner in a timely fashion. Seven reviews of applications for exemption to the five-year prohibition were completed.

Information on the OCL's monitoring activities, Administrative Reviews, Investigations and reviews of applications for exemption to the five-year prohibition can be found in its *2009-10 Annual Report,* at http://www.ocl-cal.gc.ca/eic/site/lobbyist-lobbyiste1.nsf/eng/nx00438.html.

Lessons Learned

The OCL has learned through compliance verification, media monitoring, reviews and investigations that transgressions of the *Lobbying Act* and *Lobbyists' Code of Conduct* range in gravity and in complexity. An error or omission found in the contents of a return may be an unintentional oversight, or the result of a misunderstanding about the requirements of the Act. The failure to register, or provide all required information in a timely fashion, may also be the result of negligence or, in extreme cases, intent. The OCL must take into account the degree of negligence or intent when determining a suitable means of ensuring compliance. In some cases, education or outreach is required. In others, a formal investigation may be initiated or the matter may be referred to a peace officer. Compliance measures undertaken by the OCL take into account issues such as the nature and gravity of each transgression, the degree of injury (decreased transparency, or

the impact on public trust in the integrity of decision-making), and the subject's compliance history.

Whenever possible, the OCL strives to improve compliance with the Act by advising registrants of frequent and recurring errors through mass e-mails. These messages request that they verify and amend entries containing errors. Correspondence with individual registrants may occur as a result of the targeted or random sampling conducted during the communication verification process.

Benefits for Canadians

Reviews and investigations contributed to public confidence in decisions made by federal institutions by ensuring that lobbying activities were conducted in accordance with the requirements of the Act. Lobbyists must also adhere to the principles and rules set out in the *Lobbyists' Code of Conduct*. Increased conformity with the lobbying registration regime helped ensure accountability and transparency in the lobbying of public office holders.

2.4 Internal Services

2009-10 Financial Resources ($ thousands)			2009-10 Human Resources (FTEs)		
Planned Spending	Total Authorities	Actual Spending	Planned	Actual	Difference
884	1,334	1,094	5	5	—

Performance Analysis

In February 2010, the Office of the Commissioner of Lobbying's internal services were consolidated under the newly created position of the Deputy Commissioner. As a result, the roles and responsibilities of the other executives have been modified to reflect the new organizational structure and accountabilities. The intention behind this initiative was to allow each executive to better focus on their respective responsibilities, and achieve the expected results for which they are accountable.

A redesign of the governance structure was initiated in 2009-10, with implementation scheduled for 2010-11. This has been done to streamline and better inform decision-making by the Commissioner and the management team.

In 2009-10, the OCL made significant progress toward the development of its first Corporate Risk Profile. In addition, the Departmental Audit Committee, established in 2008-09, completed its first full year of operation, providing valuable advice to the Commissioner.

Finally, the organization made progress in developing and implementing the full range of human resources and other administrative policies that will help guide and inform management decisions in the future.

Lessons Learned

Prior to the realignment, responsibility for specific corporate functions was shared among senior managers and functional specialists across the OCL. This allocation of corporate responsibilities restricted operational efficiency. It also affected the capacity of the organization with respect to corporate functions such as business planning, human resources planning and strategic policy, particularly in view of increasing reporting requirements from central agencies.

SECTION III: SUPPLEMENTARY INFORMATION

Financial Highlights

The financial highlights presented within this Departmental Performance Report are intended to serve as a general overview of OCL's financial position and operations. The OCL's unaudited financial statements can be found on the OCL website at: http://www.ocl-cal.gc.ca/eic/site/lobbyist-lobbyiste1.nsf/eng/nx00484.html

($ thousands)

Condensed Statement of Financial Position At End of Year (March 31)	**% Change**	**2010**	**2009**
ASSETS			
Total Assets	(11%)	1,807	2,030
TOTAL	(11%)	1,807	2,030
LIABILITIES			
Total Liabilities	5%	835	799
EQUITY			
Total Equity	(21%)	972	1,232
TOTAL	(11%)	1,807	2,030

The decrease in assets in 2010 is mainly due to the capital assets amortization.

The increase in liabilities is due to employee severance benefits and vacation pay and compensatory benefits.

($ thousands)

Condensed Statement of Operations For the Year Ended (March 31)	**% Change**	**2010**	**2009**
EXPENSES			
Total Expenses	(3%)	4,900	5,068
REVENUES			
Total Revenue	–	–	–
NET COST OF OPERATIONS	(3%)	4,900	5,068

The decrease in expenses in 2010 is mainly due to a reported loss on disposal of a tangible capital asset in 2009, and an increase to the costs related to Professional and Special Services. The latter item includes all of the Memoranda of Understanding that OCL has with other federal government departments acting as service providers for the provision of a number of its corporate services.

Supplementary Information Tables

All electronic supplementary information tables found in the *2009-10 Departmental Performance Report* can be found on the Treasury Board of Canada Secretariat's website at: http://www.tbs-sct.gc.ca/dpr-rmr/2009-2010/index-eng.asp.

- Green Procurement
- Response to Parliamentary Committees and External Audits